

AGENDA: December 7, 2004

4.12

CATEGORY: Consent

DEPT.: Public Works

TITLE: Graham Reservoir, Phase I, Increment 2 – Reservoir, Project 04-41 – Award Construction Contract and Authorize Construction Management Contract

RECOMMENDATION

1. Award the construction contract for Graham Reservoir, Phase I, Increment 2 – Reservoir, Project 04-41, to Anderson Pacific Engineering, Inc. of Santa Clara, California, for the low bid price of \$6,524,500 and authorize a construction contingency of \$500,000.
2. Authorize the City Manager to execute a construction management services contract with Infrastructure Engineering Corporation (IEC) of San Diego, California, in the amount of \$549,492 for construction management and inspection services for the Graham Reservoir project (reservoir, pump station, groundwater well and off-site pipeline).

FISCAL IMPACT

The recommended funding strategy approved by Council on March 23, 2004 for the Graham Reservoir and Field, Project 04-41, totaling \$13.36 million, including Water Well No. 23, consolidates funding from several sources as follows:

- \$9.42 million in bonds issued by the Water Fund.
- \$1.27 million from available balances in the Water Fund.
- \$1.67 million from the Shoreline Regional Park Community Fund's available balance.
- \$1.00 million in contributions from the Mountain View-Whisman School District.

Sufficient funds are available for this phase of work. Due to the volatility of the construction climate, an additional appropriation from Water Fund reserves may be needed to complete future phases of the project.

BACKGROUND AND ANALYSIS

The Graham Reservoir and Field construction project is a joint project between the City of Mountain View and the Mountain View-Whisman School District. The project includes an 8 million-gallon underground reservoir below the athletic fields, a groundwater well, pump station, pipes and other infrastructure to support the reservoir and well. The renovated athletic fields will include an all-weather regulation track and field, a soccer/football field, a soccer field, a baseball/softball field and basketball and volleyball courts. A rest room and equipment storage building is included in the project.

In March 2004, the Council adopted the environmental documentations and approved the Phase I, Increment I—Mass Grading, Project 04-41. The mass grading project construction started on June 14, 2004 and was completed in October 2004 with Council accepting the project on November 23, 2004, for a total cost of \$1.2 million.

Approval of plans and specifications for the Phase I, Increment 2—Reservoir, Pump Station and Pipelines, Project 04-41, and authorization to bid the project were received by Council on July 6, 2004. On October 26, 2004, the Council rejected all bids for the Phase I, Increment 2—Reservoir, Pump Station and Pipelines, Project 04-41, because only two bids were received and the low bid exceeded the Engineer's Estimate by 41.6 percent, and authorized staff to separate the project into three components (reservoir, pump station and off-site pipeline) and to rebid the components as separate projects.

As shown on the attached bid summary (Attachment 1), three bids were submitted on November 30, 2004 for the reservoir construction. The low bid submitted by Anderson Pacific Engineering, Inc. is within 5 percent of the other bids, 1 percent below the revised Engineer's Estimate and approximately 5 percent under Saylor Consulting Group's estimate, an independent estimator. The low bid is also approximately \$1.3 million lower when comparing with the itemized bid items of the low bid received on September 16, 2004. The current low bid is an indication of the savings due to the redesign of the tank and a more favorable bidding environment.

The low bid is responsive and reference checks, including verification of license status, yielded acceptable results. It is recommended that a construction contingency of \$500,000 (approximately 7.6 percent of contract price) be authorized for any change orders that might be required during construction due to unforeseen conditions requiring extra work.

This year-long construction project requires full-time inspection for all components of the project. The design consultant has experienced inspection personnel and for four months provided full-time inspection of the Phase I, Increment 1, mass grading project. Sufficient funds remained under additional service in the design contract with IEC so that inspection of

mass grading was covered under that contract. IEC has performed very well and can efficiently provide construction management/inspection services necessary to complete the projects. The total cost to manage/inspect the projects (reservoir, pump station, groundwater well and off-site pipeline) is \$549,492.

The estimated project construction based on the low bid is:

Construction	\$6,524,500
Construction Contingency	500,000
Consultant Inspection Services	549,492
City Inspection	100,000
Testing	<u>50,000</u>
Subtotal	\$7,723,992
City Administration @ 6.5%	<u>502,060</u>
TOTAL	<u>\$8,226,052</u>

Currently, there is sufficient funding in the project budget for the construction of the reservoir. However, if additional money is needed to complete the remaining projects, supplemental funding is available in the Water Reserve Fund. Staff will be returning to the Council for authorization of supplemental funding. Also, applicable grants are being sought by the City that would yield up to \$1.5 million for the project if the City receives the grant(s).

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PUBLIC NOTICING – Agenda posting.

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JTW/9/CAM
704-12-07-04M-E^

Attachment: 1. Bid Summary

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Mr. Preston Lewis, IEC

PWD, CSD, APWD – Ko, USM, EEM, SAA – Irwin, CE, PCE – Le, File